

UNITED STATES
DEPARTMENT OF THE INTERIOR
BUREAU OF LAND MANAGEMENT

FORM APPROVED
OMB NO. 1004-0135
Expires: November 30, 2000

SUNDRY NOTICES AND REPORTS ON WELLS

RECEIVED

Do not use this form for proposals to drill or to re-enter an abandoned well. Use Form 3160-3 (APD) for such proposals.

2002 APR 29 PM 4:05

SUBMIT IN TRIPLICATE - Other instructions on reverse side

070 FARMINGTON, NM

1. Type of Well <input type="checkbox"/> Oil Well <input checked="" type="checkbox"/> Gas Well <input type="checkbox"/> Other		5. Lease Serial No. NMSF078998
2. Name of Operator Phillips Petroleum Company		6. If Indian, Allottee or Tribe Name
3a. Address 5525 Highway 64, NBU 3004, Farmington, NM 87401	3b. Phone No. (include Area Code) 505-599-3454	7. If Unit or CA/Agreement, Name and/or No. NMM78423A
4. Location of Well (Footage, Sec., T., R., M., or Survey Description) Unit L, 1474' FSL & 1234' FWL Section 17, T31N, R7W		8. Well Name and No. SJ 32-7 Unit #231
		9. API Well No. 30-045-28348
		10. Field and Pool, or Exploratory Area Basin Fruitland Coal
		11. County or Parish, State San Juan, NM

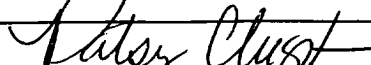
12. CHECK APPROPRIATE BOX(ES) TO INDICATE NATURE OF NOTICE, REPORT, OR OTHER DATA

TYPE OF SUBMISSION	TYPE OF ACTION		
<input type="checkbox"/> Notice of Intent	<input type="checkbox"/> Acidize	<input checked="" type="checkbox"/> Deepen	<input type="checkbox"/> Production (Start/Resume)
<input checked="" type="checkbox"/> Subsequent Report	<input type="checkbox"/> Alter Casing	<input type="checkbox"/> Fracture Treat	<input type="checkbox"/> Reclamation
<input type="checkbox"/> Final Abandonment Notice	<input type="checkbox"/> Casing Repair	<input type="checkbox"/> New Construction	<input type="checkbox"/> Recomplete
	<input type="checkbox"/> Change Plans	<input type="checkbox"/> Plug and Abandon	<input type="checkbox"/> Temporarily Abandon
	<input type="checkbox"/> Convert to Injection	<input type="checkbox"/> Plug Back	<input type="checkbox"/> Water Disposal
			<input type="checkbox"/> Water Shut-Off
			<input type="checkbox"/> Well Integrity
			<input checked="" type="checkbox"/> Other <u>Recavitate</u>
			<u>FC formation</u>

13. Describe Proposed or Completed Operation (clearly state all pertinent details, including estimated starting date of any proposed work and approximate duration thereof. If the proposal is to deepen directionally or recomplete horizontally, give subsurface locations and measured and true vertical depths of all pertinent markers and zones. Attach the Bond under which the work will be performed or provide the Bond No. on file with BLM/BIA. Required subsequent reports shall be filed within 30 days following completion of the involved operations. If the operation results in a multiple completion or recompletion in a new interval, a Form 3160-4 shall be filed once testing has been completed. Final Abandonment Notices shall be filed only after all requirements, including reclamation, have been completed, and the operator has determined that the final site is ready for final inspection.)

4/1/02. MIRU Key #18. ND WH & NU BOP. COOH w/tubing. GIH to top of hanger @ 2915'. Milled on hanger. COOH. PU fishing tools and COOH w/liner (remaining fish V-Shoe). RIH w/bit & tagged down to 3068'. CO to TD @ 3190'. Drilled ahead to 3360' (see NOI approval to deepen dated 4/1/02). Ran logs. COOH w/DP. Lost bit & bit sub. Decided to leave 5' fish in hole & and not drill any deeper (see approved NOI dated 4/9/02).

RIH w/new bit & rotated & reciproated (R&R) & conditioned hole w/air assists and foamer. Surged well. R&R to clean out to PBD @ 3355' for approx. 11 days. COOH. RIH w/Baker Hyflo 3 hanger & bit & drilled liner down through tight spots to top of fish @ 3355'. Set bit @ 3354' with liner set @ 3352'. Bottom of hanger set @ 2962' and top of hanger set @ 2958' and steel sleeve set @ 2957' (7" casing set @ 3000' = 43' of overlap). Circ. hole. COOH. RIH & perforated liner @ 4 spf .75" holes as follows - 3062'-68' = 6'; 3084'-90 = 6'; 3144'-50' = 6'; 3154'-58' = 4'; 3246' - 57' = 11'; 3333'-36' = 3'. Total 36' = 144 holes. RIH & C/O fill to PBD @ 3352'. RIH w/2-3/8" 4.7# J-55 tubing and set @ 3320' with "F" nipple set @ 3321'. ND BOP, NU WH. Pumped off expendable check. RD & released rig. Turned well back over to production to put back on line.

14. I hereby certify that the foregoing is true and correct Name (Printed/Typed) Patsy Clugston	Title Sr. Regulatory/Proration Clerk
	Date 4/24/02

THIS SPACE FOR FEDERAL OR STATE OFFICE USE

ACCEPTED FOR RECORD

Approved by	Title	MAY 02 2002
Conditions of approval, if any, are attached. Approval of this notice does not warrant or certify that the applicant holds legal or equitable title to those rights in the subject lease which would entitle the applicant to conduct operations thereon.	Office	FARMINGTON FIELD OFFICE

Title 18 U.S.C. Section 1001, and Title 43 U.S.C. Section 1212, makes it a crime for any person knowingly and willfully to make to any department or agency of the United States any false, fictitious or fraudulent statements or representations as to any matter within its jurisdiction.